BRITISH COLUMBIA

BC STATS

Service BC
Ministry of Labour & Citizens' Services

Infoline

Contact: bcstats.infoline@gov.bc.ca Issue: 07-03 January 19th, 2007

- **November shipments of BC manufactured goods down 1.5%**
- **Wholesale sales drop off 5.3% in November**
- **Investment in non-residential building up 25.9% in 2006**

The Economy

- **Investment in non-residential buildings increased a moderate 1.6% (*seasonally adjusted*) in the fourth quarter.** Spending on new commercial buildings remained robust (+5.7%) and managed to offset declines in the institutional & government (-1.4%) and industrial (-15.6%) sectors. Non-residential building construction activity continued to increase in Vancouver (+2.4%), rising to $714 million. Abbotsford also showed growth (+1.0, to $74 million), while investment in Victoria slipped (-1.1% to $95 million).

  Nationally, non-residential construction expenditures grew 1.8% in the fourth quarter, marking the fifteenth consecutive quarterly increase. Alberta recorded by far the biggest increase in terms of dollar value, as spending rose 7.6% to $1.9 billion. Investment in new non-residential building projects was down in five provinces with Ontario posting a 1.8% decrease. *Data Source: Statistics Canada*

- **Shipments of goods manufactured in British Columbia fell 1.5% (*seasonally adjusted*) in November, following a 0.7% gain in the previous month.** Producers of durable products (-0.2%) saw shipments slip slightly after having expanded (+1.4%) in October. The value of wood shipments (-0.9%) decreased as producers continued to face low prices for softwood and other wood products, while the non-metallic minerals (-7.6%) computer & electronics (-4.2%) and transportation equipment (-4.4%) industries were also down. On the other hand, BC producers of primary metals (+5.9%), machinery (+2.2%) and fabricated metal (+0.3%) fared better.

  On the non-durables side, shipments by manufacturers of paper (-5.8%) and plastics & rubber products (-10.4%) dropped off sharply in November. This was only partly offset by a 1.1% increase in the food industry. Overall shipments of non-durable goods declined 3.3%.

  BC manufacturers did not fare as well as those in some other provinces in November. Canadian shipments were up 2.3% driven mostly by increases in Ontario (+3.7%) and Quebec (+2.0%), each of which benefited from a resurgence in the transportation equipment sector. In percentage terms, manufacturers in New Brunswick (+13.9%), saw the most notable increase, while other provinces exhibited weakness with declines ranging from 0.5% in Manitoba to 4.3% in Saskatchewan.
  Data Source: Statistics Canada

- **Sales by wholesalers in the province continued to seesaw in November, dropping 5.3% (*seasonally adjusted*) following a 2.1% increase in October.** Canadian sales stalled (+0.1%), putting an end to a two-month slide.
  Data Source: Statistics Canada

- **The number of new vehicles driven off car lots in BC (including the North) continued to slump (-3.3%, *seasonally adjusted*) in November, falling for a second straight month.** BC, and Alberta (-3.7%) were the only provinces that did not benefit from an upturn in vehicle sales at the end of the year.

  Canadian sales rose 3.0% in November. Sales of passenger cars rebounded (+5.0%) with increased sales of North American-made cars (+8.9%) offsetting a slip in overseas models (-1.8%). *Data Source: Statistics Canada*

2006 in Review

- **Investment in non-residential buildings in the province climbed 25.9% during 2006, reaching $4.9 billion.** The investment growth was driven by significant increases in the value of commercial (+23.0%) and institutional &

Report Plan B: An APEC Free Trade Region?

Did you know...

A traditional North American wedding costs an average of US$22,000

Source: National Association of Wedding Ministers

government (+54.3%) buildings, which offset a drop in the industrial sector (-12.0%).

Nationally, non-residential construction expenditures hit an annual record for the sixth consecutive year in 2006. Spending was up for all components with commercial (+12.3%), industrial (+9.5%) and institutional (+8.4%) projects each showing substantial growth. Robust building construction activity in the West bolstered the national growth as BC and Alberta (+37.8% to $6.7 billion) accounted for more than 80% of the total annual increase.

Data Source: Statistics Canada

Tourism

- **International visitor entries to Canada through British Columbia slumped (-4.8%) in November.** There were fewer guests from the US (-6.3%) as same-day travel dropped significantly (-12.1%), and overnight trips fell 2.7%. The number of visitors from overseas (+0.8%) increased with more European (+2.5%) visitors coming to BC, offsetting declines in visitor entries from both Asia (-0.5%), and Oceania (-1.0%). Asian visits were down slightly as fewer travellers from Hong Kong (-4.3%) and Japan (-2.4%) visited BC in November.

Data Source: Statistics Canada& BC Stats

Marriage

- **A total of 21,981 couples tied the knot in BC in 2003, 3.5% more than in 2002.** Among the provinces, only BC and Ontario (+3.0%) saw an annual increase in the number of marriages. In 2003, Ontario and BC became the first provinces to legalize same-sex marriage. In that same year, there were 774 same-sex marriages in BC making up 3.5% of all marriages in 2003. Over half (56%) of same-sex marriages performed in BC were between non-Canadian residents.

  The crude marriage rate in the province (the number of marriages per 1,000 population) was 5.3 in 2003, well above the Canadian average (4.7). Canada's marriage rate remained at a record low, less than half the peak rate recorded in the 1940s baby-boom era (10.9). Marriage rates were highest in PEI (6.0) and Alberta (5.6), while Quebec (2.8) had the lowest marriage rate in 2003, due mostly to the comparatively higher rate of co-habitation in that province.

  In BC, the average age of opposite-sex newlyweds who had never before wed was 31 years for grooms and 28 years for brides. The average age at first marriage for same-sex couples was 44 years for men and 42 years for women. The mean age at first marriage in Canada has climbed considerably over the past few decades. In 1973, the average age at which opposite-sex couples married for the first time was 25 years for men and 23 years for women, but by 2003, had reached 31 and 29 years, respectively. *Data Source: S.C. Cat. # 84F0212XIE*

Winter Diets

- **About half (51%) of British Columbians find it harder to consume enough vegetables in the winter than in the summer.** While many of the province's residents list lower availability (61%), lack of variety (43%) and higher cost (62%) as impediments to eating enough veggies in the winter, 26% admit to preferring to eat more "comfort" foods in the colder months. British Columbians may find meeting complete dietary needs in the winter slightly less difficult than residents of other provinces as a higher share (56%) of Canadians overall have trouble eating sufficient amounts of vegetables in the winter. *Data Source: Ipsos-Reid Canada*

The Nation

- **Canadian investors purchased $5.3 billion in foreign securities in November.** About three quarters of acquisitions were in foreign equities ($3.7 billion), though Canadians also invested heavily in foreign bonds ($1.1 billion). At the same time, foreign investors upped their investment in Canadian securities by $11.0 billion as a substantial $11.3 billion increase in bond purchases along with a $1.5 billion jump in stocks more than outweighed the $1.7 billion drop in foreign holdings of Canadian money market paper.

  Foreign investment in Canada is poised to set new records in 2006. By the end of November, year-to-date investment had reached $28.9 billion, far surpassing the $8.5 billion invested in 2005. *Data Source: Statistics Canada*

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For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

Infoline Report

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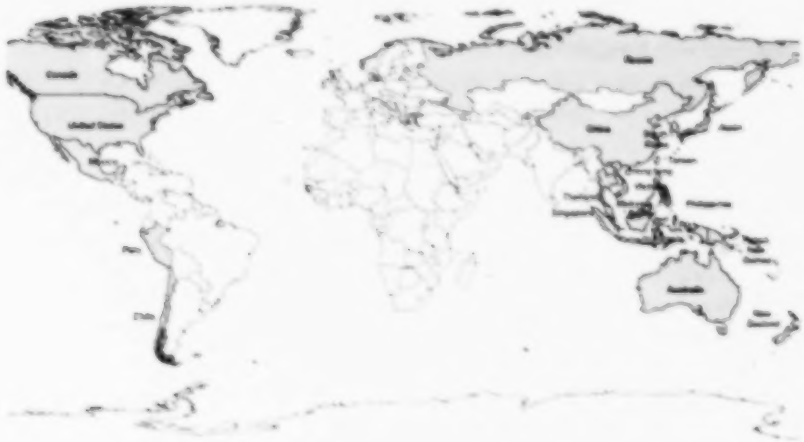
Contact: Dan Schrier (250) 387-0376
Originally published in *Exports* Issue 06-10. Annual Subscription $60 +GST

Plan B: An APEC Free Trade Region?

The likely demise of the Doha round of the World Trade Organization (WTO) trade talks has countries such as Canada and the United States looking for other options, and one such option being proposed is a free trade zone encompassing the APEC nations.[1] APEC, or Asia-Pacific Economic Cooperation, consists of 21 nations bordering the Pacific. The region comprises about 41% of the world's population and generates approximately 57% of global GDP.

It has been proposed that a free trade zone be established among the APEC nations in the event that a WTO agreement cannot be reached

APEC covers about 41% of the world's population and generates 57% of global GDP



APEC, or Asia-Pacific Economic Cooperation, is comprised of the following countries:

Australia, Brunei, Canada, Chile, China, Hong Kong, Indonesia, Japan, South Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, Philippines, Russia, Singapore, Taiwan, Thailand, United States and Vietnam

At a meeting of the APEC member countries in Hanoi, the idea of pursuing a Free Trade Area of the Asia-Pacific (FTAAP) was floated as a backup plan in case the WTO trade talks cannot be restarted; however, it was agreed that this "Plan B" should be studied as a long-term objective, and that a global trade agreement under the WTO should be the current trade priority. Discussion on the possibility of a FTAAP agreement has consequently been postponed until the next APEC meeting a year from now in Australia.

Those who support the idea of an APEC free trade zone point to the proliferation of bilateral and sub-regional deals among APEC members (21 at last count, with at least another 20 being negotiated) and suggest that FTAAP would provide some standardization to the chaotic mishmash of trade arrangements currently in place. Of the current trade deals among APEC nations, Canada has partnered in agreements with the United

[1] For more information on the collapse of the Doha round, see the July 2006 issue of *Exports*, "Has Doha Gone the Way of the Dodo?"

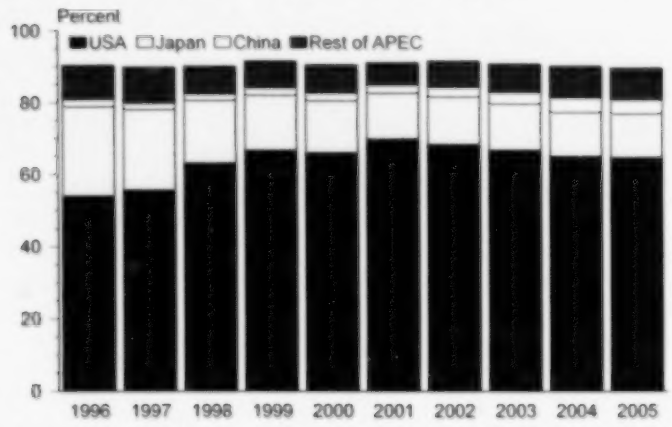
States and Mexico (NAFTA) and with Chile. Canada is also negotiating with Singapore and South Korea.

Some of those who oppose a FTAAP are concerned about the American desire to use the current US free trade agreement template as a basis for a new regional agreement. The complaint about the US model is that it does not take into account farm subsidies offered by developed nations, particularly the US itself, and this could result in dumping of subsidized agricultural products into the markets of developing countries where agriculture is a critical part of the economy. Such a move may make it more difficult for these countries to develop, as their farming sectors will not be able to compete with those of the developed nations.

As with the Doha trade talks, agriculture could also be an impediment to an APEC free trade agreement

Almost 90% of British Columbia's commodity exports are shipped to APEC countries, which means that any trade deal involving this region could have a substantial impact on BC's trade picture. This share of BC's goods exports has remained reasonably stable over the last decade, although the share by country has undergone more dramatic changes. Japan's share of BC exports has fallen significantly, halved from 25% in 1996 to just over 12% in 2005. Shipments to the United States took up most of the slack, although countries such as China and Mexico have also seen strong growth in imports of BC goods. The US share of BC commodity exports peaked at almost 70% in 2001, but has since dropped to 65% in 2005 and has slipped even further so far in 2006.

APEC's share of BC's exports has been fairly stable over the last decade despite shifts in shares of countries within the region

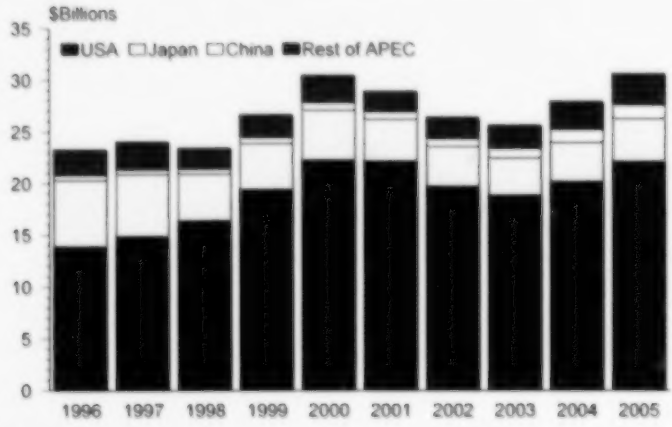


Source: Statistics Canada

Approximately 90% of BC's commodity exports are shipped to APEC countries

In 2005, British Columbia exported $30.5 billion worth of goods to the other 20 APEC countries out of a total of $34.1 billion in commodity exports. Canada as a whole shipped $372.7 billion in goods to APEC countries in 2005 and exported $43.2 billion in services to APEC countries[2] in 2004, the last year for which data is available. That amounts to about 91% of international shipments of goods from Canada and just over two-thirds of Canadian service exports.

BC commodity exports to APEC nations amounted to $30.5 billion in 2005



Source: Statistics Canada

BC shipped $30.5 billion in goods to APEC countries in 2005

With these kinds of percentages, it is clear that the APEC region is of critical importance in terms of trade for both BC and Canada as a whole. While the nations of APEC have stressed that a global trade deal is the preferred course of action, the recent collapse of the Doha round of talks and the intransigence among some countries when it comes to making concessions around agricultural tariffs and subsidies suggest that a new WTO agreement may be a long way off. If there is a better chance of success for a FTAAP, an agreement covering 41% of the world's population and 57% of its economy is certainly nothing to sneeze at. Its acronym may look like a comic book sound effect, but if FTAAP ever comes to pass, it could have serious implications for Canadian trade.

[2] This excludes Brunei, Papua New Guinea and Peru, for which data on service exports is not available

Understanding and Interpreting Data

This is a practical statistical course that covers the basic aspects of survey data analysis. This course will appeal to novice analysts and those who are required to interpret statistical findings. It provides an overview of basic types of research as well as analytical requirements. This is followed by a short treatment of survey sampling and types of data. Some of the analytical techniques that will be covered include cross tabulations, chi-square and some aspects of linear regression. The workshop includes a hands on data analysis exercise and a discussion on the principles for presenting results.

- Analytical requirements and sources of data
- Survey design and sampling methods
- Types of Data
- Confidence intervals
- Grouping and graphic data
- Analytical techniques
- Interpreting and presenting analytical results

DATE:
March 7-8, 2007

LOCATION:
To be announced
Victoria, BC

TIME:
8:30 am—4:30 pm

Refreshments will be served throughout the day.

Learn from the Survey Experts!!

REGISTER EARLY!
SPACE IS LIMITED!

Cost is $550 + GST
Early bird registration: $499 + GST (at least 2 weeks prior to start of workshop)

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The workshop fee will be refunded (subject to a $75 administration charge) if intention to cancel is received in writing at least 3 business days before the first day of the workshop. Within 3 business days before the first day of the workshop, no refunds will be given.

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also on the Internet at www.bcstats.gov.bc.ca

BC at a glance . . .

POPULATION (thousands)	Oct 1/06	% change on one year ago
BC	4,327.4	1.2
Canada	32,730.2	1.0
GDP and INCOME (Revised Nov 8)		
(BC - at market prices)	2005	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	168,855	7.2
GDP *($ 1997 millions)*	145,501	3.7
GDP *($ 1997 per Capita)*	34,173	2.4
Personal Disposable Income *($ 1997 per Capita)*	20,983	2.4
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Nov	3,478	-1.5
Merchandise Exports - Nov	2,576	-7.0
Retail Sales - Oct	4,483	-0.1
CONSUMER PRICE INDEX	% change on one year ago	12-month avg % change
(all items - Nov 2006)		
BC	1.5	1.7
Vancouver	2.1	1.8
Victoria	0.9	1.6
Canada	1.4	2.1
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Dec '06	prev. month
Labour Force - BC	2,341	0.8
Employed - BC	2,218	0.4
Unemployed - BC	123	7.4
		Nov '06
Unemployment Rate - BC *(percent)*	5.2	4.9
Unemployment Rate - Canada *(percent)*	6.1	6.3
INTEREST RATES (percent)	Jan 17/07	Jan 18/06
Prime Business Rate	6.00	5.00
Conventional Mortgages - 1 year	6.50	5.80
- 5 year	6.65	6.30
US/CANADA EXCHANGE RATE	Jan 17/07	Jan 18/06
(avg noon spot rate) Cdn $	1.1737	1.1726
US $ *(reciprocal of the closing rate)*	0.8524	0.8543
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	Dec '06	one year ago
BC	739.16	4.6
Canada	731.18	2.7

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

Register now!

Tools for Success: *Using Data in Aboriginal Communities* is a conference where leaders and experts from Aboriginal, academic, business, community, and government organizations share their best practices, experiences, success stories and challenges using data for planning and decision-making.

March 5-6, 2007
Victoria Conference Centre

www.toolsforsuccess.ca/home_eng.aspx

Maps on-line (2006 Census Geography)

Rejoice! For the first time, maps of even the smallest geographic units for which numerous census characteristics will be produced are now available free.

www12.statcan.ca/english/census06/geo/index.cfm

Guide to the BC Economy & Labour Market

In response to requests from users of the interactive web site, the *Guide* is now also available in PDF format.

www.bcstats.gov.bc.ca/pubs/econ_gui.asp

Updates and additions to our site

Many of the documents posted to our site include annual time-series that we update as the information becomes available. On making these updates we post a note to the recent releases listing on our what's new page.

www.bcstats.gov.bc.ca/whatsnew.asp#recent

In addition to PDF format, increasingly we provide CSV equivalents for clients who require access to the data.

Released this week by BC STATS

- No subscription releases

Next week

- Consumer Price Index, December 2006
- Current Statistics, January 2007

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